



# GENERAL ASSEMBLY

## COMMONWEALTH OF KENTUCKY

### 2012 REGULAR SESSION

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HOUSE BILL NO. 399

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WEDNESDAY, FEBRUARY 29, 2012

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The following bill was reported to the Senate from the House and ordered to be printed.

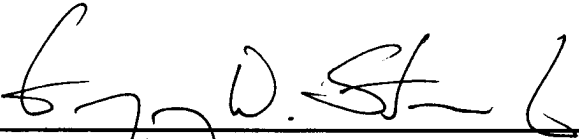
RECEIVED AND FILED  
DATE April 4, 2012  
3:09 pm  
ALISON LUNDERGAN GRIMES  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
BY Kim Perry

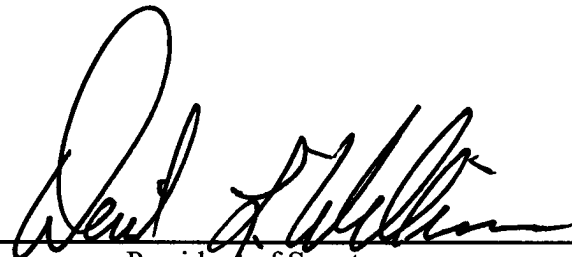
1 AN ACT relating to utility interest rates.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔Section 1. KRS 278.460 is amended to read as follows:

- 4 (1) Except as provided in subsection (2) of this section, a utility, including an electric  
5 cooperative organized under KRS Chapter 279, shall pay interest~~[ at six percent~~  
6 ~~(6%) annually]~~ on amounts required to be deposited by patrons to secure utility  
7 service. The commission shall calculate the interest rate on an annual basis by  
8 averaging the one (1) year constant maturity treasury rate from September,  
9 October, and November, and shall notify utilities in December of each year of the  
10 interest rate to be paid by utilities for the following calendar year.
- 11 (2) No water district organized under KRS Chapter 74 nor water association organized  
12 under KRS Chapter 273 shall pay interest that exceeds the rate it receives in  
13 interest, nor shall the interest payable to the customer at any time exceed six percent  
14 (6%) annually on amounts required to be deposited by patrons to secure water  
15 accounts.
- 16 (3) The commission may promulgate administrative regulations in accordance with the  
17 provisions of KRS Chapter 13A to implement this section.

  
\_\_\_\_\_  
Speaker-House of Representatives

  
\_\_\_\_\_  
President of Senate

Attest:   
\_\_\_\_\_  
Chief Clerk of House of Representatives

Approved   
\_\_\_\_\_  
Governor

Date 4-4-12